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# Foreign Crops and MARKETS



VOLUME 52

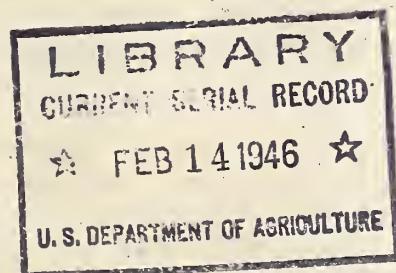
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## L A T E   N E W S

Deterioration in the world grain supply situation in the past several months was reported by Sir Ben Smith, Minister of Food, in the British House of Commons on February 5. Saying that the world position in regard to cereal supplies was a cause of "considerable anxiety," Sir Ben asserted that while it was felt last summer that only the maximum efforts on the part of overseas producing countries could meet world requirements, the outlook now was even more serious.

He cited droughts as a major reason for the worsening of the world grain supply situation, explaining that they had reduced production in Australia, Argentina, and Africa. Referring to a conference he held in Washington shortly after Christmas with United States officials on the entire question of cereal supplies, mainly wheat and rice, the Minister of Food said realization of the seriousness of the situation at that time compelled a review of the requirements of all importing countries, and an examination of what measures could be taken to increase supplies from exporting countries.

"We estimated that the wheat requirements of the importing countries during the first six months of this year would amount to a little over 17 million tons against which there were available exportable supplies of only 12 million tons," he said. "Since then, developments in India, South Africa, and elsewhere have increased requirements, while supplies are now expected to fall short of 12 million tons."

Sir Ben said he "recognized that all importing countries will have to make heavy sacrifices" and that Britain had "taken the lead" in accepting a reduction of nearly a quarter of a million tons in wheat imports during the first half of 1946.

He said this reduction could not be met out of the United Kingdom stocks held in the country and which have been progressively reduced since D-Day to the "lowest point consistent with the maintenance of distribution." He asserted that these stocks were merely "working stocks and contain no reserve element." Consequently, he said, Britain soon would have to increase its flour extraction rate to 85 percent, and that this might not be "the last step". Sir Ben referred to a Ministry of Agriculture plan to reduce the volume of animal feed, which would in turn lower livestock production and decrease British supplies of bacon, poultry, and eggs.

The Minister of Food said much would depend upon efforts of the United States, Canada, Australia, and Argentina to increase the collection and movements of wheat during the next several months. He pointed out that the shortage of wheat and rice would curtail British fat supplies, since India would have to retain ground nuts for domestic consumption because of scanty wheat supplies.

## WORLD RICE PRODUCTION DECREASED

The world rice harvest for the 1945-46 season <sup>1/</sup> is estimated to be about 10 percent less than the small crop of the preceding year, and from 15 to 20 percent smaller than the prewar (1935-1936 to 1939-40) average production. This year the outturn is forecast at 6,200 million bushels of rough rice, compared with 6,700 million in the preceding year and the prewar average of 7,400 million bushels. Most of the reduction occurred in Asia, where 95 percent of the world's rice is grown. Harvests in Europe, showing a steady decline during the war, also were smaller than those of the year before. On the other hand, the North American crop is larger than that of last year, and the rice acreage, much of which is yet to be harvested, was increased in South America. Incomplete information from Africa indicates an increase in production over a year ago.

In Asia, the output is estimated at 5,800 million bushels, compared with 6,300 million last year and 7,100 million bushels during the prewar period. The very short crop in Asia means that the milled-rice supplies on that continent are about 40 billion pounds less than before the war (1936-1940). Exports from the normal surplus countries of Burma, Siam, and French Indochina in 1946 are estimated to be only from 10 to 20 percent of prewar, and will all be required in the Far East. Disorganized farming conditions, the development of acute fertilizer shortages caused by curtailed imports, and reduction in farm animals and other equipment have been the chief factors causing the reduced output in occupied countries.

The 1945 crop in China was smaller than the outturn last year and about 18 percent below the 1935-1939 average, or 465 million bushels (15 billion pounds) less than production during that period. A preliminary estimate of the Indian crop indicates a smaller harvest than a year ago, the result of unfavorable weather in south and central India. Ceylon's rice yields also were about one-half of normal on account of drought conditions.

The greatest drop in rice production as a result of the war occurred in Japanese-occupied countries and in the Japanese Empire. In the normal exporting countries of Burma, Siam, and French Indochina, the 1945-46 harvest is estimated to be from 50 to 65 percent of prewar, which leaves very little rice for export from the current crop, compared with about 12 billion pounds exported from this region before the war. Comparatively small stocks from previous crops are reported to be available for export to needy Far Eastern countries in 1946. Rice supplies are seriously deficient in Asia's prewar importing countries. Production in the Netherlands Indies, formerly almost self-sufficient, is reported to

<sup>1/</sup> The Northern Hemisphere harvests in 1945 are combined with the 1946 production of the Southern Hemisphere countries.

**ROUGH RICE:** World average, yield per acre, and production, averages 1930-31 to 1939-40, annual 1933-34 to 1945-46 a/

Continent and Country	Averages			Acres			Field per acre			Production		
	1930-31	1935-36	1940-44	1,000 acres	1,000 acres	1,000 acres	Average to 1945-46 b/	1945-46 b/	1945-46 b/	1930-31	1935-36	1940-44
North America:												
United States	883	1,004	1,168	1,471	1,506	1,506	49.852	49.852	49.852	64,813	68,161	70,160
Mexico	84	25	160	170	168	168	3,478	4,000	4,000	5,609	5,801	5,755
Cuba <sup>g/</sup>	36	45	84	80	70	70	29.3	29.3	29.3	2,222	1,776	2,051
Dominican Republic	-	-	82	116	(120)	(120)	-	-	-	2,905	(3,020)	3,580
Panama	(35)	(50)	91	91	-	-	(32.0)	(32.0)	(32.0)	(1,600)	1,600	2,300
El Salvador	22	25	46	56	-	-	25.6	-	-	314	639	934
Other	(180)	(200)	(160)	(180)	(190)	(190)	-	-	-	(4,200)	(4,100)	(4,500)
Estimated total	1,280	1,450	2,110	2,170	2,220	2,220	-	-	-	53,000	64,100	86,500
Asia:												
French Indochina	13,505	14,020	-	-	-	-	22.5	-	-	316,038	-	-
Siam	7,141	7,058	-	-	-	-	30.1	-	-	213,079	-	-
Burma	12,770	12,671	-	-	-	-	27.5	-	-	348,534	-	-
China <sup>g/</sup>	47,099	47,099	48,161	34,788	35,014	35,014	22.5	22.5	22.5	1,922,995	1,922,995	1,922,995
Free China	-	-	36,926	-	34,213	34,213	49.1	49.1	49.1	1,922,995	1,922,995	1,922,995
Manchuria	-	-	-	-	-	-	36.1	36.1	36.1	14,853	14,853	14,853
Japan	7,887	7,862	-	-	-	-	75.4	-	-	555,061	555,061	555,061
Korea	4,112	3,837	-	-	-	-	43.6	-	-	156,985	188,604	170,267
Portuguese	1,609	1,616	-	-	-	-	52.8	-	-	75,014	85,278	71,673
Philippine Islands	4,643	4,918	-	-	-	-	22.2	-	-	10,939	10,939	10,939
British Malaya	740	748	-	-	-	-	36.3	-	-	25,333	27,138	-
Netherlands Indies <sup>g/</sup>	9,140	9,716	-	-	-	-	31.6	-	-	270,975	306,970	-
India <sup>g/</sup>	70,288	72,707	81,117	80,754	(80,900)	(80,900)	26.2	-	-	1,904,645	1,904,645	2,291,838
Ceylon <sup>g/</sup>	865	870	1,100	1,020	-	-	18.4	-	-	14,300	16,000	14,600
Iran	550	544	-	-	-	-	34.8	-	-	22,113	22,113	22,113
Turkey	516	501	386	386	-	-	27.3	-	-	7,750	11,176	13,747
Other	-	-	66	78	-	-	39.1	-	-	2,220	3,050	2,638
Estimated total	1,190,250	1,36,720	192,000	190,000	185,000	185,000	-	-	-	(295,500)	(323,400)	-
							-	-	-	6,762,600	7,118,700	6,700,000
Europe:												
Italy	-	-	343	362	376	376	103.9	81.2	81.2	32,662	37,620	31,496
Spain	-	-	117	-	119	118	118	90.5	90.5	14,558	-	24,272
Portugal	-	-	39	50	64	64	-	-	-	1,740	1,740	10,199
Greece	-	-	18	19	30	19	18	63.0	63.0	59.7	3,398	3,627
Other	(3)	(10)	-	-	-	-	-	-	-	1,150	1,041	1,389
Estimated total	520	590	514	514	514	514	-	-	-	49,900	53,100	41,700
							-	-	-			15,100

Compiled from official sources, except as noted, and the International Institute of Agriculture. Figures shown in parentheses are estimations of the Office of Foreign Agricultural Relations.

Crops harvested in Northern Hemisphere countries during the latter part of the year, together with those harvested in southern Asia principally from November to May, are combined with crops harvested in Southern Hemisphere countries during the first part of the following year. b) Preliminary. c) Unofficial. d) Less than 5-year average. e) Java and Madura only. f) Includes figures for areas regularly reported only, comprising about 92 percent of the total rice area of India. Official estimates for unsupported areas included in estimated total for Asia. g) Includes estimates for the Soviet Union.

be below prewar. The Philippine crop, about 60 percent of normal, is short of prewar consumption by 45 million bushels, or more than 1 billion pounds milled.

The Japanese rice crop this year may be more than 30 percent less than prewar-average production, representing a decrease of 200 million bushels (7 billion pounds brown), as a result of prolonged cold weather, typhoons, floods, and fertilizer shortages. Storms and lack of fertilizer curtailed Formosa's 1945-46 production to about 55 percent of prewar, which means a reduction of 40 million bushels, or 1.4 billion pounds of brown rice. The harvest in Korea likewise was reduced by fertilizer shortages.

In the Western Hemisphere, a record crop was produced in North America as a result of a larger crop in the United States. In South America, the Brazilian rice acreage, planted principally from September to November, is reported larger than last year. The exportable surplus from Brazil from the 1945-46 crop may be from 250 to 300 million pounds, if normal weather permits the harvesting of average yields in the rice-exporting State of Rio Grande do Sul. In Ecuador plans for increased plantings have led to trade forecasts of an exportable surplus of 100 million pounds from the 1946 crop. British Guiana is promoting its rice industry by increased mechanization and other Government aid. Some deficit countries, such as Bolivia, Peru, and Venezuela, may desire to import rice, possibly 25 to 50 million pounds.

The 1945 European rice production was reduced to about 65 percent of the prewar average, chiefly as a result of shortages of fertilizer and labor in Italy, with a consequent decline in acreage and in yield per acre. Crops in Spain and Portugal were smaller than prewar because of reduced acreages and fertilizer shortages. Curtained production and shortages of other grains have eliminated the exportable supplies usually available in Spain and Italy.

In Africa, the Egyptian crop exceeded that of last year, because of favorable weather late in the season. The exportable surplus available from that country may be a little larger than the 330 million pounds milled obtained from the 1944 crop. In Madagascar the 1945 production is larger than that of the preceding year. Although the Australian rice crop was restricted by low water supplies, the outturn is expected to be larger than last year's harvest, which was reduced 50 percent by drought.

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This is one of a series of regularly scheduled reports on world agricultural prospects approved by the Office of Foreign Agricultural Relations Committee on Foreign Crops and Livestock Statistics. For this report the Committee was composed of Joseph A. Becker, chairman, C. M. Purves, Fred J. Rossiter, L. Thelma Willahan, and Karl J. Pelzer.

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## WORLD CITRUS CROP LARGEST ON RECORD

Citrus production in the 36 major producing countries 1/ is indicated at 335 million boxes in the 1945-46 season, compared with 320 million boxes in 1944-45 and the 5-year (1935-1939) average of 266 million. Of this season's prospective production, 243 million boxes or about 72 percent, are oranges, tangerines, and mandarins; 66 million boxes, or about 20 percent, are grapefruit; and the remaining 26 million boxes, or about 8 percent, are lemons.

Oranges: Production of oranges in the specified countries set a new record high, exceeding the prewar average of 208 million boxes by 17 percent. During the war orange production has declined in some countries, notably in Brazil, Italy, Palestine, and Syria, because of disruptions caused by the war. On the other hand, output continued to expand in the United States, Mexico, French Morocco, and the Union of South Africa. In all of these countries there was a strong domestic market and little damage as a result of the war. An increase in the citrus crop has also taken place in Japan.

For North and Central America and the West Indies, the orange crop is indicated at 121 million boxes in 1945-46, about 1 million less than the 1944-45 record-large output, but 47 million boxes, or 61 percent, more than the prewar (1935-1939) average. Most of the increase over the average in this area occurred in the United States and in Mexico, where output has been increasing at a rapid rate for many years.

The orange crop in South America, indicated at 32.8 million boxes in 1945-46, has been declining in recent years, as a result of neglect and disease damage. In Brazil and Argentina a severe root disease has developed in recent years, which caused a rapid loss of trees and a decline in output. Production this season for the continent is expected to be 41 percent less than in 1942-43 and 35 percent smaller than the prewar (1935-1939) average.

Despite marketing difficulties during the war years, production of oranges in Africa was well maintained, increasing from a prewar (1935-1939) average of 15.8 million boxes to an indicated output in 1945-46 of 19.2 million boxes. The current crop is expected to be 10 percent larger than in 1944-45, but 3 percent less than the record high of 19.7 million in 1943-44. Increases in Egypt, French Morocco, and the Union of South Africa have been particularly significant.

1/ Reliable information concerning the production of citrus in China, the Soviet Union, Portugal, and a few other countries is not available, but it is known that in the three countries named, particularly in China, the production of oranges is substantial.

CITRUS FRUIT: Production in specified countries,  
averages 1930-1934 and 1935-1939, annual 1942-1945

Oranges, including tangerines							
Continent and country	Average	1930-	1935-	1942	1943	1944	1945 a/
		1934	1939				
North America, Central America, and West Indies		1,000	1,000	1,000	1,000	1,000	1,000
United States ....	53,548:	67,034:	89,316:	106,651:	113,010:	111,350	
Mexico .....	3,486:	4,761:	6,909:	6,934:	7,344:	7,558	
Costa Rica .....	(7):	(6):	(34):	(33):	(30):	(30):	
Jamaica .....	500:	595:	525:	500:	475:	625	
Trinidad .....	15:	17:	(20):	(20):	(20):	(20):	
Cuba .....	710:	1,050:	1,000:	1,250:	625:	1,000	
Dominican Republic	(500):	(500):	549:	992:	500:	(500)	
Total .....	58,766:	73,963:	98,353:	116,380:	122,004:	121,083	
South America		:	:	:	:	:	
Brazil .....	28,484:	38,779:	35,465:	26,000:	22,150:	(20,000)	
Argentina .....	b/ 4,705:b/	b/ 9,212:	17,996:	11,240:	11,136:	(10,000)	
Dutch Guiana .....	21:a/	20:	(20):	(20):	(20):	(20):	
Ecuador .....	415:	580:	(500):	(500):	(500):	(500)	
Paraguay .....	900:	460:	(400):	(400):	(400):	(400)	
Uruguay .....	1,415:	(1,300):	(1,300):	(1,300):	(1,300):	(1,300)	
Chile .....	(100):	(250):	400:	500:	600:	(600)	
Total .....	36,040:	50,601:	56,081:	39,960:	36,106:	32,320	
Africa		:	:	:	:	:	
Algeria .....	2,063:	3,198:	(3,500):	(3,500):	(3,500):	(2,100)	
Egypt .....	(3,771):	6,851:	6,478:	7,459:	6,998:	7,941	
Morocco .....	(700):	(1,203):	1,845:	1,464:	1,766:	2,073	
South Africa ....	2,280:	4,000:	6,079:	6,860:	4,827:	(0,500)	
Northern Rhodesia:	5:	11:	(12):	(12):	(13):	(13)	
Southern Rhodesia:	170:	193:	(200):	(200):	(200):	(200)	
Tunisia .....	85:	323:	(300):	(250):	239:	362	
Total .....	9,074:	15,779:	18,414:	19,745:	17,543:	19,139	
Europe		:	:	:	:	:	
Spain .....	34,697:	24,461:	15,747:	15,275:	21,259:	(20,000)	
Italy .....	14,304:	11,701:	11,415:	11,481:	8,472:	7,975	
France .....	39:	37:	24:	(20):	(20):	(20)	
Greece .....	1,005:	1,463:	(1,500):	(1,500):	(1,500):	(1,500)	
Aegean Islands ..	31:	43:	(40):	(40):	(40):	(40)	
Malta .....	8:	9:	(9):	(9):	(9):	(9)	
Cyprus .....	191:	511:	300:	(300):	(300):	(300)	
Total .....	50,275:	38,225:	29,035:	28,635:	31,600:	29,844	
Asia		:	:	:	:	:	
Iran .....	1,844:	483:	(450):	(450):	(450):	(450)	
Japan .....	12,926:	15,895:	(20,740):	(23,530):	(23,360):	(29,590)	
Palestine .....	(4,405):	(8,652):	5,000:	8,400:	6,000:	7,106	
Philippine Islands .....	139:	136:	(110):	(100):	(90):	(90)	
Syria .....	853:	1,093:	1,417:	841:	694:	(700)	
Total .....	20,167:	26,259:	27,717:	33,319:	30,594:	37,936	

CITRUS FRUIT: Production in specified countries,<sup>1/2</sup>  
 averages 1930-1934 and 1935-1939, annual 1942-1945, continued

## Oranges, including tangerines

Continent and country	Average						1945 a/
	1930-34	1935-39	1942	1943	1944	1945 a/	
	1934	1939					
Oceania	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Australia .....	2,593	2,683	2,100	2,666	2,752	2,333	
New Zealand .....	11	23	(50)	(50)	(40)	(50)	
Total .....	2,604	2,706	2,150	2,716	2,792	2,383	
Grand total .....	176,926	207,533	231,750	240,755	240,639	243,255	

## Grapefruit

North America	:	:	:	:	:	:	
Central America	:	:	:	:	:	:	
and West Indies	:	:	:	:	:	:	
United States ....	16,979	31,787	50,481	56,090	52,130	63,030	
Puerto Rico .....	595	448	(500)	(500)	(500)	(500)	
Cuba .....	485	375	300	350	325	212	
Jamaica .....	189	213	(225)	250	(275)	300	
Trinidad and Tobago .....	19	63	152	123	160	(160)	
Total .....	18,267	32,886	51,658	57,313	53,390	64,202	
South America	:	:	:	:	:	:	
Argentina .....	b/	28:b/	49	196	182	112	(100)
Africa	:	:	:	:	:	:	
South Africa ....	b/ (227)	b/ (431)	858	968	681	(900)	
Asia	:	:	:	:	:	:	
Palestine .....	(285)	(445)	300	800	692	776	
Grand total .....	18,807	33,811	53,012	59,263	54,875	65,978	

## Lemons

North America	:	:	:	:	:	:	
United States ....	8,078	9,552	14,940	11,050	12,633	13,900	
South America	:	:	:	:	:	:	
Argentina .....	(125)	(371)	1,729	1,075	998	(900)	
Brazil .....	(430)	1,612	(1,800)	(1,800)	(1,500)	(1,500)	
Chile .....	(100)	(250)	417	417	625	700	
Total .....	655	2,233	3,946	3,292	3,123	3,100	
Africa	:	:	:	:	:	:	
Algeria .....	111	102	(100)	(100)	(100)	(100)	
Egypt .....	75	83	107	134	(140)	(150)	
South Africa .....	(80)	(142)	215	242	170	(200)	
Tunisia .....	20	35	(40)	(40)	44	174	
Total .....	286	362	462	516	454	624	

CITRUS FRUIT: Production in specified countries,  
averages 1930-1934 and 1935-1939, annual 1942-1945, continued

Lemons

Continent and country	Average		1942	1943	1944	1945 a/
	1930- 1934	1935- 1939				
	boxes	boxes				
Europe						
Italy .....	13,843	9,637	9,204	8,092	6,469	6,324
Spain .....	1,651	1,444	1,276	1,100	754	517
France .....	7	6	6	6	(6)	(6)
Cyprus .....	35	53	35	40	(40)	(40)
Aegean Islands ...	4	9	(10)	(10)	(10)	(10)
Greece .....	231	367	(375)	(375)	(375)	(375)
Total .....	15,771	11,516	10,906	9,623	7,654	7,272
Asia						
Syria .....	390	464	(350)	(350)	(350)	(350)
Palestine .....	(15)	88	(60)	(60)	312	322
Total .....	405	552	410	410	662	672
Oceania						
Australia .....	328	308	290	364	395	250
New Zealand .....	57	65	(50)	(50)	(50)	(50)
Total .....	385	373	340	414	445	300
Grand total .....	25,580	24,588	31,004	25,305	24,971	25,868

Compiled from official sources. Figures in parentheses are estimates of the Office of Foreign Agricultural Relations. Harvesting in Northern Hemisphere countries begins about November of year of bloom and in Southern Hemisphere about February following year of bloom. Production in foreign countries converted to boxes of the following weights: Oranges 70 pounds; grapefruit and limes 80 pounds; lemons 76 pounds.

a/ Preliminary.

b/ Less than 5 years.

Orange production in Europe has declined from the prewar average. It is expected to total 29.8 million boxes in the 1945-46 season, compared with 31.6 million boxes in 1944-45 and the 5-year (1935-1939) average of 38.2 million. In Spain and Italy output has dropped sharply during the last 15 years, but Spanish production is expected to show an upturn again. Early indications in Spain were for a prewar-average crop this season, but a severe frost recently cut the prospect materially. In Italy production has declined sharply in the last two seasons because of war activities.

The crop of oranges in Asia, excluding China and the Soviet Union, is estimated at 37.9 million boxes in 1945-46, compared with 30.6 million in 1944-45 and the 5-year (1935-1939) average of 26.2 million. There has been a sharp upward trend in production in Japan, largely Satsumas,

occasioned by heavy plantings just prior to 1942. In Palestine and Syria the outturn declined considerably from the relatively high levels reached in the 1939-40 season, but indications are that, with the end of the war, production will again increase. In Palestine the prospect is for a rapid recovery to prewar-production levels, provided export outlets can be found.

In Australia and New Zealand no appreciable change in the level of orange production is indicated. The Australian crop for 1945-46, indicated at 2.3 million boxes, is about 15 percent smaller than in 1944-45.

Grapefruit: World grapefruit production is dominated by the output in the United States, where a prospective total of 63 million boxes is indicated for this season. Production of grapefruit in the Union of South Africa and in Palestine is increasing, but it has not reached 1 million boxes in either country. Smaller quantities are also produced in the West Indies Islands, but there has been no significant trend developed in these areas in recent years.

Lemons: The world production of lemons has remained fairly constant for a number of years at around 25 million boxes. In 1945-46 the indicated crop is 25.9 million boxes, compared with 25 million in 1944-45 and the 5-year (1935-1939) average of 24.6 million. Compared with the prewar average, output in the United States this season increased 45 percent, while that in the rest of the world combined decreased 20 percent.

Production in South America, indicated at 3.1 million boxes for 1945-46, is about the same as in the previous season, but nearly 40 percent larger than the prewar average.

In Europe the crop this season, indicated at 7.3 million boxes, is 37 percent below the prewar average. As in the case of oranges, production of lemons in Italy and Spain has been declining for many years.

In Africa and Asia lemon output has increased somewhat in recent years, but it has not yet attained substantial volume.

#### COMMODITY DEVELOPMENTS

##### GRAINS, GRAIN PRODUCTS, AND FEEDS

###### AUSTRALIA REVISES WHEAT ESTIMATES

The latest estimate for the current wheat crop in Australia places the outturn at a much larger figure than the poor crop of a year ago. The crop, now estimated at about 130 million bushels, is, however, still

somewhat smaller than average. Harvests of the principal grains were completed in early January, despite a shortage of manpower and the worn condition of a considerable part of the harvest machinery.

AUSTRALIA: Wheat acreage, yield per acre, and production, 1945 with comparisons

State	Average		1945	
	1933-1942	1943	1944	preliminary
	1,000 acres	1,000 acres	1,000 acres	1,000 acres
<u>Acreage</u>				
New South Wales.....	4,126	2,693	2,845	4,100
Victoria.....	2,607	1,793	2,142	2,850
Queensland.....	310	281	300	350
South Australia.....	2,893	1,53 <sup>4</sup>	1,623	2,040
Western Australia.....	2,750	1,552	1,510	1,801
Tasmania.....	13	5	4	a/
Capital Territory.....	2	2	2	a/
Total.....	12,701	7,860	8,429	11,141
	<u>Bushels</u>	<u>Bushels</u>	<u>Bushels</u>	<u>Bushels</u>
<u>Yield per acre</u>				
New South Wales.....	12.8	17.6	6.0	13.1
Victoria.....	13.9	11.0	1.6	9.8
Queensland.....	14.8	18.1	20.5	20.0
South Australia.....	11.2	13.5	5.7	10.1
Western Australia.....	11.0	10.6	10.5	11.4
Tasmania.....	21.8	25.2	24.2	a/
Capital Territory.....	21.5	27.8	1.2	a/
Average.....	12.3	13.9	6.2	11.7
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>
<u>Production</u>				
New South Wales.....	52,591	47,500	17,134	53,600
Victoria.....	36,247	19,733	3,498	28,000
Queensland.....	4,604	5,089	6,226	7,000
South Australia.....	32,423	20,691	9,224	20,700
Western Australia.....	30,224	16,385	15,872	20,500
Tasmania.....	41	122	93	a/
Capital Territory.....	282	39	2	a/
Total.....	156,412	109,559	52,069	129,300
	:	:	:	:

From official sources.

a/ Data not available.

The wheat crop of 130 million bushels contrasts with the small yield of 52 million bushels last year and the average of 156 million bushels for the 10 years ended in 1942. As a result of widespread drought conditions during September and much of October, earlier season indications were as low as around 107 million bushels. More favorable conditions during late October and November improved prospects, however, and estimates were revised to their present level.

The most favorable returns are noted for New South Wales, Queensland, and Western Australia, all three States having above-average yields per acre, though total production in the latter State is smaller than average. The total area sown to wheat, reported at 11.1 million acres, was about 30 percent larger than that of a year ago, though it was still below average. After last year's small crop, the Government waived restrictions against acreage expansion in order to achieve a sizable increase. The seeded area slightly exceeded the goal and was the largest area seeded since 1941.

Requirements of wheat for domestic use for the year beginning December 1, 1945, are estimated at 80 million bushels. Of that amount 35 million bushels are required for food use, 15 million to be retained on farms for seed and feed, and an allowance of 30 million is made for feed other than on farms. Some 56 million bushels would remain for export or carry-over.

For the 1945-46 season, the price guarantee was increased. The minimum price for bagged wheat is 4s 3d per bushel (68 cents, United States currency) at country sidings, and for bulk wheat is 4s 1d (65 cents) per bushel. The increase applies to all marketings, whereas the former policy was to set a minimum for the first 3,000 bushels marketed and to make advances at a lower rate for marketings in excess of that quota. Large producers were thus at a disadvantage in marketings above the quota. The increased guarantee was announced early in 1945 in order to encourage increased seedings. Early in November 1945 the minimum price for bagged wheat was raised to 4s 4d (69 cents) per bushel in an effort to speed up bagged-wheat deliveries.

The Commonwealth Government has proposed a plan for stabilizing the wheat industry. State Governments are to meet with the Commonwealth representatives to take joint action on the proposal, which provides for support prices for all wheat marketed in Australia and for all exports for 5 seasons beginning with 1945-46. For bagged wheat the initial proposal was for a guaranteed price of 5s 2d (about 83 cents) per bushel, f.o.b., both for domestic sales and for exports.

Plans announced for the 1946-47 season include unrestricted seedings and guaranteed prices at the same rate as in the present season. Wheat growers will receive 40 percent more superphosphates than their allotment for the current crop. It is pointed out, however, that supplies at the level will still be substantially smaller than prewar averages.

#### ECUADORAN RICE EXPORTS REDUCED

Rice exports from Ecuador during January to November 1945 equaled 62 million pounds, compared with 134 million shipped during the same period of the preceding year. The sharp decline in exports last year was the result of a smaller crop in 1945 and of low stocks at the beginning of the year. A surplus of 100 million pounds may be available from the 1946 production which is expected to rise, in view of a larger acreage.

ECUADOR: Rice exports by country,  
January-November 1945, with comparisons

Country of destination	: Average :		1943	1944	January-November	
	: 1939-1941:				1944	1945
	: Million	: Million	: Million	: Million	: Million	: Million
	: pounds	: pounds	: pounds	: pounds	: pounds	: pounds
Cuba .....	3	81	88	83	54	
Peru .....	9	20	29	27	0	
Venezuela .....	10	0	17	16	3	
Colombia .....	6	a/	0	0	a/	
Panama .....	3	a/	2	2	a/	
Others .....	5	4	6	6	5	
Total .....	36	105	142	134	62	
	:	:	:	:	:	

Compiled from official sources.

a/ Less than 500,000 pounds

### FATS AND OILS

#### CUBAN FATS AND OILS IMPORTS DOWN SLIGHTLY

Cuban imports of fats and oils in 1945 are estimated at 96 million pounds, or slightly smaller than last year. The United States was the largest supplier with the exception of imported soap fats, which amounted to 17.1 million pounds; 60 percent of this amount came from Argentina, 35 percent from the United States, and the remaining 5 percent largely from Uruguay.

During the past year the demand for most fats and oils in Cuba greatly exceeded the short supply. Domestic production of lard, tallow butter, and peanuts in 1945, placed at 15 to 18 million pounds in terms of oil, met only 25 percent of yearly requirements, in contrast with prewar years when it supplied approximately 15 percent of Cuban needs. Furthermore, a reduction in imports aggravated the tight supply situation, since about 75 percent of the normal Cuban requirements of fats and oils are dependent upon imported stocks.

Throughout the year supplies remained below normal commercial levels, and during certain periods stocks were temporarily exhausted. Industrial and edible fats and oils were especially in short supply. Cuban supplies are expected to remain limited until the tight world supply situation of fats and oils eases.

The most important soap fat produced in Cuba is inedible tallow for which there has been a strong domestic demand at prices reported to be in excess of ceiling, because of the scarcity of imported supplies. In 1945 inedible-tallow production probably amounted to 10 million pounds, or twice the average for the 5-year (1938-1942) period. Palm and

coconut oils are little used in the soap industry because of the lack of sufficient supplies. Inedible tallow and small quantities of oil foots and greases are used instead. Edible tallow production for 1945 was about 2 million pounds, a sizable increase over the immediate prewar year.

Of the edible fats and oils, lard was the most important in the Cuban diet during 1945. Cuban lard production last year is roughly estimated at 6 million pounds, which probably supplied only 10 percent of the Cuban requirements for this commodity. If imported lard was readily available, domestic consumption would likely be around 80 million pounds. During the 5-year period prior to 1940, Cuba was second only to the United Kingdom as a market for United States lard.

Peanut and soybean oil rank second and third in importance of edible fats and oils consumed in Cuba. Peanut oil, the only important vegetable oil produced in Cuba, amounted only to about 15 percent of the total edible fats and oils requirements. Production has risen during the war. For the current crushing season, which began last October and ends in February 1946, 10 million pounds of peanut oil are expected to be produced. This figure is smaller than last season's output, owing principally to the smaller yield caused by the spring drought.

Soybean oil imports increased from 2.6 million pounds in 1944 to 13.4 million pounds in 1945 as a result of a sharply reduced supply of other edible fats and oils. These imports, however, have been large enough to offset the smaller Cuban peanut production, and reduced lard and olive oil imports. Although Cubans normally prefer olive oil, only small quantities have been imported since 1940.

The 1945 butter production in Cuba reached its peak during October, but probably did not exceed 300,000 pounds in that month. Indications are that much butter fat is being diverted to cheese production since this commodity is not under price control.

CUBA: Imports of specified fats and oils,  
1945 with comparisons

Year	Inedible						Edible	
	Inedible	Coconut	Palm	Linseed	Lard	Soybean	Edible	
	tallow	oil	oil	oil	oil	oil	oil	tallow
	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds	pounds	pounds	pounds	pounds
Average	:	:	:	:	:	:	:	:
1936-1940 ....	2,780	4,945	16,180	2,402	47,000	9,990	300	
1941 .....	11,150	6,290	7,200	3,796	65,600	7,330	4	
1942 .....	35,730	370	16	3,183	62,490	8,170	1,750	
1943 a/.....	16,805	370	60	3,675	79,665	15,710	2,670	
1944 a/.....	21,135	0	0	2,326	66,343	2,615	648	
1945 a/.....	12,808	32	7	3,716	60,724	13,432	0	
	:	:	:	:	:	:	:	:

Official sources through 1942.

a/ Preliminary and unofficial.

TURKISH OLIVE AND SESAME  
SEED OILS CURBS REMOVED

Restrictions on the sale and purchase of Turkish olive and sesame seed oils, under maximum price control for sometime, have been lifted, according to a recent report of the Turkish Ministry of Commerce. Quotas allotted to various Turkish Provinces have been suspended. Although it is now possible to ship and sell these oils freely within Turkey, reports indicate that export licenses have not yet been granted.

INDIA'S VEGETABLE OIL  
PRODUCTION REDUCED

Despite the over-all increase in India's oilseed production in 1945, with the exception of peanuts, sesame seed, and castor beans, the oil equivalent may be less than that of last year, owing to a possible reduction in the higher oil-yielding crops.

According to the second estimate for peanut acreage, there was a slight expansion over the corresponding estimate in 1944, but the yield per acre was expected to be less than normal, since weather conditions were unfavorable in some of the major producing areas. Peanut shipments from India amounted to approximately 490,000 short tons in 1945, compared with less than 450,000 in the previous year. Increased demand in the Bombay area during July-September resulted in a 20-percent rise in prices over those prevailing earlier in the year.

Flaxseed exports during 1945 were larger than those of a year earlier, although considerably less than the prewar (1935-1939) average of 9.7 million bushels. Shipments of sesame seed were larger than in 1944, while castor beans, rape and mustard seed were smaller.

INDIA: Production a/ of specified oilseeds,  
1945 with comparisons

Oilseed	1940	1941	1942	1943	1944	1945 b/
	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000
	: short	: short	: short	: short	: short	: short
	: tons	: tons	: tons	: tons	: tons	: tons
Peanuts	:	:	:	:	:	:
(unshelled) ....	4,146	2,896	3,201:c/	4,282	3,987	-
Flaxseed .....	522	486	404	459:c/	427	438
Sesame seed .....	486	464	512:c/	501	440	-
Castor beans .....	109	118	102	165:c/	157	146
Rapeseed and	:	:	:	:	:	:
mustard seed ...	1,252	1,235	1,220:c/	1,200:c/1,032	1,200	
Cottonseed c/ d/ ..	2,840	2,861	2,196	2,456	1,654	1,841
	:	:	:	:	:	:

Compiled from official sources.

a/ Year of harvest. Excludes estimates for unreported tracts, since these are not available for all years. b/ Subject to revision. c/ Revised. d/ Estimated from lint production figures.

COTTON AND OTHER FIBERSWEEKLY COTTON PRICES  
ON FOREIGN MARKETS

The following table shows certain cotton price quotations on foreign markets, converted at current rates of exchange.

COTTON: Price of certain foreign growths  
and qualities in specified markets

Market location, kind and quality	Date	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound
Alexandria (spot)		: Kantar	:	:	:
Ashmouni, F.G.F.....	: 1-24	: 99.05 lbs.	: Tallaris	: 31.00	: 25.88
Bombay (Jan. future)	:	: Candy	:	:	:
Jarila.....	: 1-22	: 784 lbs.	: Rupee	: 433.50	: 16.66
Bombay (spot)	:	: Candy	:	:	:
Kampala, East African.....	: 1-22	: 784 lbs.	: Rupee	: 850.00	: 32.66
Buenos Aires (spot)	:	: Metric Ton	:	:	:
Type B.....	: 1-26	: 2204.6 lbs.	: Peso	: 1300.00	: 17.56
Lima (spot)	:	: Sp. Quintal	:	:	:
Tanguis, Type 5.....	: 1-26	: 101.4 lbs.	: Sol	: 112.00	: 16.99
Racife (spot)	:	: Arroba	:	:	:
Mata, Type 5.....	: 1-24	: 33.07 lbs.	: Cruzeiro	: 80.00	: 13.17
Sertao, Type 5.....	: 1-24	: 33.07 lbs.	: Cruzeiro	: 82.00	: 13.50
Sao Paulo, (spot)	:	: Arroba	:	:	:
Sao Paulo, Type 5.....	: 1-24	: 33.07 lbs.	: Cruzeiro	: a/	:
Torreon (spot)	:	: Sp. Quintal	:	:	:
Middling, 15/16".....	: 1-26	: 101.4 lbs.	: Peso	: 96.25	: 19.53

Compiled from weekly cables from representatives abroad.

a/ Not available.

Note: Quotations a week later were unchanged for Ashmouni, Kampala, Brazilian Mata and Sertao and Mexican Middling 15/16". Other quotations were as follows: Egyptian Karnak Good grade Jan. 31, 38.25 tallaris (31.93 cents); Jarila, March futures Feb. 1, 445.5 rupees (17.12 cents); Argentine Type B Feb. 2, 1320 pesos (17.82 cents); Tanguis Type 5 Feb. 2, 110 soles (16.69 cents); and Sao Paulo Type 5 Feb. 1, 98.5 cruzeiros (16.22 cents).

## BRAZIL'S COTTON EXPORTS

## NEARING PREWAR LEVEL

Brazil's cotton exports rose sharply in June 1945, following the end of the war in Europe, and averaged more than 82,000 bales (of 478 pounds) monthly during the last 7 months of 1945. This is an annual rate of 986,000 bales and is nearly equal to the average of 1,065,000 bales for the 5 prewar years ended July 31, 1939. Exports of about 95,000 bales during the first 3 weeks of January indicate that the heavy export movement is continuing.

BRAZIL: Exports of cotton by countries,  
1944-45 with comparisons  
(Bales of 478 pounds net)

Country of destination	Year beginning August 1						
	Average:	1934-1939	1940	1941	1942	1943	1944
: 1938 :	:	:	:	:	:	:	:
: 1,000 :	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000
: bales :	: bales	: bales	: bales	: bales	: bales	: bales	: bales
United Kingdom ..	230.7	295.5	105.9	263.5	32.5	332.7	234.8
Germany .....	331.2	70.4	9.6	0	0	0	0
France .....	92.1	56.3	0	0	0	0	0
Belgium .....	34.2	22.0	0	0	0	0	0
Netherlands .....	31.1	38.9	0	0	0	0	0
Italy .....	38.5	26.6	0	0	0	0	0
Poland .....	17.3	1.0	0	0	0	0	0
Portugal .....	20.7	52.5	15.0	31.9	2.8	11.5	8.4
Spain .....	2.2	3.2	82.6	80.3	220.0	54.2	68.1
Sweden .....	4.9	1.5	25.5	101.9	125.5	92.7	77.4
Japan .....	200.2	218.8	387.2	16.7	0	0	0
China .....	50.1	158.1	191.0	48.0	0	0	0
United States ..	4.4	b/11.1	b/153.9	b/145.1	0	0	b/13.4
Canada .....	2	20.4	289.6	115.8	0	0	10.2
Colombia .....	1	2.9	38.7	33.2	71.1	38.6	26.1
Cuba .....	0	0	8.8	0	0	0	0
Other countries :	7.2	1.9	24.7	19.8	a/	3.0	23.3
Total .....	1,065.1	981.1	1,332.5	856.2	451.9	532.7	461.7
:	:	:	:	:	:	:	:

Compiled from Servico Estadistica Economica e Financeira do Tesouro Nacional, Ministry of Finance.

a/ Less than 50 bales. b/ Largely cotton for transshipment to Canada.

About 53 percent or 354,000 bales of the cotton exported between June 1, 1945, and January 17, 1946, were destined for the United Kingdom and were drawn largely from stocks in Brazil purchased by the British Government during earlier war years. The remaining 317,000 bales included exports of 100,000 bales to Spain, 38,000 to Sweden, 34,000 to China, 29,000 to Italy, 24,000 to the Netherlands, and a total of 59,000 bales to Switzerland, Denmark, Norway, Finland, and Portugal.

Cotton prices at Sao Paulo apparently were stimulated by quantity sales to Europe and China and by expectations of further sales to these and other deficit areas. Quotations for Sao Paulo Type 5 at Sao Paulo reached 98 cruzeiros per arroba (16.13 cents per pound) on January 7, compared with an average of around 91 cruzeiros (15 cents) during December.

Weather conditions in South Brazil were favorable for the growing cotton crop in December, except for excessive rains which fell in some areas. Heavy insect attack is anticipated as a result of prolonged rainy weather, but no damage was reported in December. The Sao Paulo Secretariat

of Agriculture suspended the distribution of cottonseed on December 20 after an estimated 39.7 million pounds of seed were distributed for planting. This quantity is about 32 percent less than the 58.7 and 58.9 millions distributed for planting the 1943-44 and 1944-45 crops, respectively. Acreage in Sao Paulo is believed to have been reduced by 25 to 30 percent this year. The greatest acreage reduction, however, was reported in areas where yields are normally low, and over-all production may not be reduced in the same proportion. Normal yields from the reduced acreage this year would result in a Sao Paulo crop of around 1.3 million bales and approximately 1.8 million bales for all Brazil.

Sao Paulo cotton from the 1944-45 crop classified to the end of December amounted to only 1,070,000 bales (of 478 pounds), compared with 2,122,000 for a corresponding period a year earlier. Unfavorable weather also caused a deterioration in quality of the fiber. Only 26.6 percent of the 1944-45 crop was classified as Type 5 or better against 82.5 percent for 1943-44.

#### TOBACCO

##### TOBACCO CROP UP IN NEW ZEALAND

New Zealand's 1944-45 tobacco crop amounted to 3,289,000 pounds from 3,303 acres, compared with 3,083,000 pounds from 3,106 acres in 1943-44. Production, during the crop years 1938-39 through 1942-43, averaged 2.4 million pounds from 2,225 acres. Although 1945-46 data are not available, reports indicate that the tobacco plantings will set a new high record. Most of the tobacco produced in New Zealand is flue-cured.

Imports of leaf tobacco into New Zealand during the first 9 months of 1945 totaled 5,628,000 pounds, of which 5,606,000 pounds, or about 99.6 percent, were of United States origin. During the same period imports of cigarettes amounted to 35.4 million pieces, chiefly from the United Kingdom. Cigars and smoking tobacco imports were insignificant.

#### LIVESTOCK AND ANIMAL PRODUCTS

##### ARGENTINE WOOL EXPORTS LAG IN JANUARY; PRICES FIRM

January sales and exports of wool in Argentina were adversely affected by the following: The annual trade suspension of January 1-6; uncertainty concerning the reaction of business to the Government's wage policy; a 3-day lockout of commercial and industrial firms as a protest against this policy; and a dock strike. Wage increases later granted by the Argentine Government resulted in higher asking prices for all types of wool.

Notwithstanding the slowing up in January, exports for the first 4 months of the season, beginning October 1 (through January 25),

reached approximately 162 million pounds, or over three times as large as the 51 million pounds for the corresponding period of 1944-45. Shipments to the United States for the same period are estimated at approximately 137 million pounds, against 41 million for the 4 months of 1944-45.

Exports to continental European countries for the first 2 months of the year rose to 15 million pounds, compared with only 3 million pounds in the same period of 1944-45. Belgium and France took the largest quantities, or approximately 6 and 7 million pounds, respectively, against none in the same period of 1944-45, when the war was in progress.

ARGENTINA: Exports of wool by countries,  
first 2 months of season, 1945-46 with comparison

Country of destination	October		November
	1944-45	1,000 pounds	1945-46
Non-European			
United States .....	17,242		82,838
Mexico .....	1,821		2,227
Chile .....	584		829
Bolivia .....	461		342
Colombia .....	187		452
Brazil .....	117		284
Other .....	36		133
Total above .....	20,448		87,105
United Kingdom .....	-		20
Continental Europe			
Belgium .....	-		5,674
France .....	-		6,616
Sweden .....	796		2,072
Denmark .....	-		225
Switzerland .....	1,947		641
Other .....	15		198
Total above .....	2,758		15,426
Grand total .....	23,206		102,551

From official sources.

Export declarations at the United States Consulate in Buenos Aires by grades of wool show the predominance of coarse wools being shipped to the United States this season. The quantity of Cordoba carpet wool and other wool not finer than 40s totaled 68 million pounds, or five times as large as in the same months of 1944. Most of the other types also showed increases.

A common termination date of March 31, 1946, was granted on January 14 to producers who had taken out loans on coarse crossbreds, in accordance with the facilities granted on October 8, 1943, when stocks of this wool became burdensome. This will have the effect of postponing beyond the immediate future the settlement by borrowers who were first to take out loans.

Late January buying by the United States tended to focus on the coarse crossbred wools, particularly Cordoba carpet wool, and bids at Buenos Aires moved up to 20.9 cents a pound, grease basis. The average price for that type in October, the beginning of the new season, was about 17.2 cents a pound.

In order to obtain available supplies of the desired carpet types, some buyers were offering higher prices for additional quantities of second clip wool, which is not in such strong demand as spring (October-November) clipped wool and which has been selling at somewhat lower levels.

Prices of all types of wool at Buenos Aires have been increasing since the beginning of the season in October 1945.

ARGENTINA: Declared exports of wool to the United States  
by grades, October and November, 1945-46  
with comparison

Grades	:	1944-45	:	1945-46
	:	1,000 pounds a/	:	1,000 pounds a/
64s and over .....	264	:	3,039	
60s .....	937	:	7,628	
56s .....	6,042	:	8,439	
50s .....	3,226	:	3,526	
46s .....	689	:	511	
44s .....	5,892	:	7,758	
Cordoba carpet .....	0	:	8,864	
Other 40s and below .....	13,803	:	59,388	
Total .....	30,853	:	99,153	
	:		:	

Information supplied by U. S. Embassy in Buenos Aires.

a/ Converted from bales to pounds at average weight of 981 pounds in 1944-45 and 1,038 pounds in 1945-46.

WORLD SUPPLIES OF MEAT,  
MILK, AND EGGS TIGHTEN

Diminishing supplies of feeds, war losses of livestock, and recent unfavorable pasture conditions in many areas have curtailed the world supplies of food obtained from livestock. The most serious declines in supplies have occurred in continental Europe, where the output of most

food products from livestock ranges from 52 to 65 percent below prewar supplies for consumption.

Meat production in 1945 in the major supplying countries dropped sharply from the very high levels of the previous year, whereas military demands continued heavy during much of the year. At the same time, production in Europe dropped to levels only about 56 percent of prewar. Reduced shipments from Argentina, Canada, and the United States made it necessary to lower meat rations in the United Kingdom and substantially limited supplies reaching France, Belgium, the Netherlands, and other liberated areas.

As a result of this and the greatly reduced internal production, meat supplies in these countries at the beginning of the 1945-46 consumption year reached a very low level. In the United States and Canada, supplies of meat reaching consumers also dropped to their lowest level in 1945. Supplies in these two countries improved, however, toward the end of the year.

World production of meat in 1946 will show little, if any, improvement over last year, the reduction in output in central and southeastern Europe about offsetting the slight improvement expected in western Europe and any probable increase in the United States and Australia.

The world supply of milk and dairy products at the beginning of 1946 continued short of demand, despite favorable milk flow in 1945 in most of the principal producing countries. Supplies continue to be allocated on an international level by the Combined Food Board. The high 1945 output of dairy products in the United States, Canada, and New Zealand, together with large military stocks, has made it possible to meet the most essential demands in 1945 and early 1946.

milk  
Under average conditions total world production in 1946 is not expected to show much, if any, improvement over the 1945 output, which was increased by unusually favorable producing conditions in the United States, Canada, and New Zealand. Any improvement in output in certain areas in Europe will likely be counterbalanced by less favorable conditions than last year in United States, Canada, and New Zealand.

Egg supplies have continued short of demand during the past 6 months even in the United States and Canada, where production has been on a high level. The generally short supplies of protein foods have increased consumption wherever egg supplies have been available. The large stocks of dried eggs accumulated in 1943 and 1944 have been utilized in food deficit areas of the world, and egg stocks at the end of 1945 were at an exceedingly low level compared with war years.

In 1946 world egg production will be somewhat less than last year and about 5 percent below prewar (1934-1938) average production. High levels of production in the United States and Canada, about 20 billion eggs above prewar, nearly offset the large wartime decline in Europe. These two continents produce nearly three-fourths of the world production of eggs.

(A more complete statement on world supplies of meat, dairy products, and eggs is available upon request.)



